Charity Registration No. 1039776

Company Registration No. 2946921 (England and Wales)

PORTSMOUTH CITIZENS' ADVICE BUREAU

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2003



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PORTSMOUTH CITIZENS' ADVICE BUREAU

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D K Allsopp Esq, O B E Mr A R Browne Cllr G Goble Dr P S Haskell Mrs C Hopwood Mr B Oliver J L Peer Esq, M B E Cllr R Pettigrew Ms B Phagura Mr P J Baulf Mrs M W Giles Mr A Khan
Secretary	J L Peer Esq, M B E
Charity number	1039776
Company number	2946921
Principal address	Dugald Drummond Street Portsmouth Hampshire PO1 2BB
Registered office	Dugald Drummond Street Portsmouth Hampshire PO1 2BB
Auditors	Jones Avens 53 Kent Road Southsea Hampshire PO5 3HU
Bankers	National Westminster Bank Plc 130 Commercial Road Portsmouth Hampshire PO1 1ES
Solicitors	Blake Lapthorn 1 Barnes Wallis Road Segensworth Hampshire PO15 5UA

PORTSMOUTH CITIZENS' ADVICE BUREAU

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PORTSMOUTH CITIZENS' ADVICE BUREAU

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2003

The trustees present their report and accounts for the year ended 31 March 2003.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

Objects of the charity

The charity is a company limited by guarantee and was formed on 8 July 1994. The charity's objects, as set out in the Memorandum of Association, are the promotion of any charitable purposes for the benefit of the community in the area of Portsmouth by the advancement of education, the protection of health and the relief of poverty, sickness and distress. The aims of the company are to ensure that individuals do not suffer through ignorance of their rights and responsibilities or of the services available; or through an inability to express their needs effectively and equally to exercise a responsible influence on the development of social policies and services, both locally and nationally.

The policies adopted in furtherance of these objects are set out in note 1 to the accounts and there has been no change in these during the year.

The charity operates from its head office in Portsmouth and its second office in Cosham, with outreach services within the city boundaries.

Review of activities

Up to April 2002, we were involved with renovations to our offices and this included the installation of a new telephone and cabling system. Since then, we have been preparing for the introduction of a new computerised case management system, necessitating the networking of all the computers on site. Many of the computers required upgrading, which has now been carried out and we have also been connected to the citizens advice virtual private network - the system is due to go live in July 2003.

During the latter part of the year, we agreed with the local authority to engage an independent consultant to carry out an organisational review. This was due to inform discussions regarding our service level agreement for the coming three years. In the event, we settled on a one year agreement only, due to uncertainties with other funding, particularly the debtline and advice supervisors funding bids, which if they fail we will need to seriously consider economies that will need to be made.

Trustees

The trustees, who are also the directors for the purpose of company law, who served during the year were:

Mr T R Abram	(Resigned 30 November 2002)
D K Allsopp Esq, O B E	
Mr A R Browne	
Mrs J Budge	(Resigned 30 November 2002)
Cllr G Goble	
Dr P S Haskell	
Mrs C Hopwood	
Dr J Howard	(Resigned 30 November 2002)
Mrs S Hutchins	(Resigned 30 November 2002)
Mrs C Johnson	(Resigned 31 July 2002)
Mrs P Lodder	(Resigned 30 November 2002)
Mr R Neithercut	(Resigned 30 November 2002)
Mr B Oliver	
J L Peer Esq, M B E	
Cllr R Pettigrew	
Ms B Phagura	
Mr J E Romney	(Resigned 30 November 2002)

PORTSMOUTH CITIZENS' ADVICE BUREAU

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

Mr P J Baulf	(Appointed 30 November 2002)
Mrs M W Giles	(Appointed 30 November 2002)
Mr A Khan	(Appointed 30 November 2002)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees appointed during the year were Mr P J Baulf, Mrs M W Giles and Mr A Khan.

The trustees who resigned during the year were Mr T R Abram, Mrs J Budge, Dr J Howard, Mrs S Hutchins, Mrs C Johnson, Mrs P Lodder, Mr R Neithercut and Mr J E Romney.

Review of financial position

The trustees report an excess of outgoing resources over incoming resources for the year as set out on the Statement of Financial Activities and Balance Sheet on pages 6 and 7.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. Regrettably it has not been possible to maintain reserves at this level during the year despite strenuous efforts on the part of the trustees. The trustees are constantly monitoring the reserves situation and will take action should the position deteriorate.

Risk factors

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Asset cover for funds

Note 13 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Jones Avens be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of trustees

J L Peer Esq, M B E
Chairman
Dated: 26.08.03.

PORTSMOUTH CITIZENS' ADVICE BUREAU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- make judgements and estimates that are reasonable and prudent;

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 1985. they are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PORTSMOUTH CITIZENS' ADVICE BUREAU

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PORTSMOUTH CITIZENS' ADVICE BUREAU

We have audited the accounts of Portsmouth Citizens' Advice Bureau for the year ended 31 March 2003 set out on pages 6 to 15. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 3, the trustees, who are also the directors of Portsmouth Citizens' Advice Bureau for the purpose of company law, are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Going concern

In forming our opinion, we have considered the adequacy of the disclosure made in note 1 of the financial statements concerning grant funding applications. In view of the significance of this uncertainty we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

Opinion

In our opinion the accounts give a true and fair view of the charitable company's state of affairs as at 31 March 2003 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF PORTSMOUTH CITIZENS' ADVICE BUREAU

Jones Avens
Chartered Accountants
Registered Auditor
53 Kent Road
Southsea
Hampshire
PO5 3HU



Dated: 02.09.09

PORTSMOUTH CITIZENS' ADVICE BUREAU

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2003 £	Total 2002 £
Incoming resources						
Donations and legacies	2	**26,725**	-	**899**	**27,624**	24,172
Activities in furtherance of the charity's activities	3	**255,626**	-	**180,360**	**435,986**	480,141
Investment income	4	**760**	-	-	**760**	2,941
Other incoming resources	5	**2,415**	-	**29,387**	**31,802**	4,387
Total incoming resources		**285,526**	-	**210,646**	**496,172**	511,641
Resources expended						
Charitable expenditure						
Direct charitable expenditure		**270,920**	-	**196,365**	**467,285**	479,688
Management and administration		**48,224**	-	-	**48,224**	49,293
Total resources expended	6	**319,144**	-	**196,365**	**515,509**	528,981
Net (outgoing)/incoming resources before transfers		**(33,618)**	-	**14,281**	**(19,337)**	(17,340)
Transfers between funds		**41,674**	**(13,414)**	**(28,260)**	-	-
Net income/(expenditure) for the year/ Net movement in funds		**8,056**	**(13,414)**	**(13,979)**	**(19,337)**	(17,340)
Fund balances at 1 April 2002		**20,282**	**39,231**	**68,544**	**128,057**	145,397
Fund balances at 31 March 2003		**28,338**	**25,817**	**54,565**	**108,720**	128,057

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

PORTSMOUTH CITIZENS' ADVICE BUREAU

BALANCE SHEET
AS AT 31 MARCH 2003

	Notes	2003 £	2003 £	2002 £	2002 £
Fixed assets					
Tangible assets	9		**52,446**		71,213
Current assets					
Debtors	10	**28,458**		65,617	
Cash at bank and in hand		**69,538**		10,158	
		97,996		75,775	
Creditors: amounts falling due within one year	11	**(41,722)**		(18,931)	
Net current assets			**56,274**		56,844
Total assets less current liabilities			**108,720**		128,057
Income funds					
Restricted funds	12		**54,565**		68,544
Unrestricted funds:					
Designated funds			**25,817**		39,231
Other charitable funds			**28,338**		20,282
			108,720		128,057

The accounts were approved by the Board on 02.09.03

Lawrence Peer

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J L Peer Esq, M B E
Chairman

PORTSMOUTH CITIZENS' ADVICE BUREAU

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2003

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention.

The charity depends on funding that it receives from Portsmouth City council (PCC) in terms of a service level agreement, and PCC, Single Regeneration Budget (SRB) and the Community Fund (CF) for Debtline. The service level agreement with PCC expires on 31 March 2004 and it is too early to say whether it will be renewed. The existing strands of funding with SRB and CF expire on 30 September 2003, applications for new funding have been submitted to both funders but the outcomes are again unknown.

The financial statements have been prepared on the going concern basis which assumes that the charity will continue in operational existence for the foreseeable future.

The validity of this assumption depends on the successful conclusion of the negotiations with the funders. The financial statements do not include any adjustments that would result if negotiations were not concluded successfully.

Whilst the trustees are presently uncertain of the outcome of the negotiations, they believe that it is appropriate for the financial statements to be prepared on the going concern basis.

The accounts have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

1.2 Incoming resources

Grants are recognised as income in the year in which they are receivable. Grants which are received for a specific purpose are accounted for as restricted funds. Grants are not recognised as receivable until the conditions for receipt have been complied with.

1.3 Resources expended

Costs which are identified as relating to restricted activities are allocated directly to those activities. Costs which relate to the general running of the bureau are allocated against unrestricted funds, and within the statement of financial activities these expenses are shown as 85% direct charitable expenditure and 15% management and administration, except for audit fees (100% management and administration) and training and conferences (100% direct charitable expenditure).

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	20% straight line
Fixtures, fittings & equipment	25% straight line

1.5 Designated Funds

The designated fund has been set up to assist in identifying those funds which are not free funds and it represents the net book value of fixed assets to the extent that these assets are not funded by restricted funds.

1.6 Restricted Funds

Restricted funds are funds subject to specific conditions imposed by donors as to how they may be used. The purposes and uses of the restricted funds are set out in note 12 to the accounts.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Donations and gifts	**26,725**	**899**	**27,624**	24,172

Portsmouth City Council provides the premises at Portsmouth and Cosham from which the company operates free of charge. This assistance has been valued at £25,000 (2002 - £22,500) and is reflected in Donations and gifts and Resources Expended.

3 Activities in furtherance of the charity's activities

	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Local Authority Grants	**255,626**	**71,552**	**327,178**	366,221
Community Fund Grant	**-**	**63,808**	**63,808**	70,489
Legal Services Commission Grants	**-**	**45,000**	**45,000**	43,431

4 Investment income

	2003 £	2002 £
Interest receivable	**760**	2,941

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

5 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Other income	**2,415**	**29,387**	**31,802**	4,387

Other income comprises:

Salaries and overheads invoiced re Court Desk (with Southern Focus Trust)	**23,171**	4,173
Computer equipment grants	**4,616**	0
Southsea Town Council	**2,000**	0
Training income	**1,300**	205
Miscellaneous income	**715**	9
	31,802	4,387

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2003 £	Total 2002 £
Charitable expenditure:					
Direct charitable expenditure	**350,539**	**21,882**	**94,864**	**467,285**	479,688
Management and administration	**32,163**	**3,862**	**12,199**	**48,224**	49,293
	382,702	**25,744**	**107,063**	**515,509**	528,981

Other costs relating to direct charitable expenditure comprise:		
Rent	**38**	2,145
Insurance	**447**	15
Repairs and maintenance	**1,154**	881
Printing, postage and stationery	**6,872**	7,835
Telephone and fax	**3,500**	4,735
Travelling	**806**	2,086
Legal and professional fees	**5,010**	954
Training and conferences	**1,046**	2,596
Computer consumables	**2,655**	566
Sundry expenses	**4,351**	3,473
Subscriptions	**2,206**	409
Allocation of management and administrative expenses	**66,779**	64,707
	94,864	90,402

Other management and administration costs comprise:		
Rent	**25,556**	27,082
Insurance	**675**	1,873
Repairs and maintenance	**2,171**	3,277
Printing, postage and stationery	**7,839**	7,689
Telephone and fax	**6,403**	8,028
Travelling	**5,529**	5,638
Legal and professional fees	**12,911**	8,627
Audit fees	**4,565**	3,466
Training and conferences	**2,844**	4,206
Computer consumables	**1,073**	1,054
Sundry expenses	**5,622**	4,005
Subscriptions	**3,488**	3,610
Bank charges	**302**	293
Allocation to direct charitable expenditure	**(66,779)**	(64,707)
	12,199	14,141

Management and administration costs includes payments to the auditors of £1,880 (2002 - £1,763) for audit fees.

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

7 Trustees

Two trustees received remuneration totalling £25,435 during the year (2002 - £40,696) for their services as officers of the company.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2003 Number	2002 Number
Average number of staff employed	**36**	33

Employment costs	**2003**	2002
	£	£
Wages and salaries	**382,702**	399,523

There were no employees whose annual emoluments were £50,000 or more.

9 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2002	34,095	73,807	107,902
Additions	-	6,977	6,977
At 31 March 2003	**34,095**	**80,784**	**114,879**
Depreciation			
At 1 April 2002	6,819	29,870	36,689
Charge for the year	6,819	18,925	25,744
At 31 March 2003	**13,638**	**48,795**	**62,433**
Net book value			
At 31 March 2003	**20,457**	**31,989**	**52,446**
At 31 March 2002	27,276	43,937	71,213

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

10 Debtors	2003	2002
	£	£
Trade debtors	**6,025**	2,241
Prepayments and accrued income	**22,433**	63,376
	28,458	65,617

11 Creditors: amounts falling due within one year	2003	2002
	£	£
Trade creditors	**9,332**	7,319
Accruals	**32,390**	11,612
	41,722	18,931

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			
	Balance at 1 April 2002	Incoming resources	Resources expended	Transfers	Balance at 31 March 2003
	£	£	£	£	£
Outreach Advice Services Unit	22,299	20	(8,521)	(10,292)	**3,506**
Welfare Benefits Specialist Unit	6,999	45,865	(35,317)	(2,407)	**15,140**
Debtline	7,264	72,866	(67,742)	(3,350)	**9,038**
Debtline (Community Fund)	-	63,808	(63,808)	-	**-**
Court Desk (with Southern Focus Trust)	-	23,471	(20,977)	(2,242)	**252**
Capital Fund	31,982	4,616	-	(9,969)	**26,629**
	68,544	210,646	(196,365)	(28,260)	**54,565**

(a) The Outreach Advice Services Unit, funded by Portsmouth City Council and the Lloyds TSB Foundation, was set up to provide care in the community.

The transfer of £10,292 represents management charges from the main bureau which is included within unrestricted funds. The balance of £3,506 represents a grant repayable to the Lloyds TSB Foundation as the unit has now closed.

(b) The Welfare Benefits Specialist Unit, funded by the Legal Services Commission (£44,500), was established to offer increased tribunal work in relation to welfare benefits.

The transfer of £2,407 represents management charges from the main bureau which is included within unrestricted funds.

(c) Debtline, funded by the Community Fund (£63,808), the Single Regeneration Budget (£58,423), and Portsmouth City Council (£13,130), was set up for the provision of a debt counselling service.

The transfer of £3,350 represents management charges from the main bureau which is included within unrestricted funds.

(d) The Court Desk (Southern Focus Trust Partnership), funded by the Legal Services Commission (£23,471), was set up to coordinate and participate in the Housing Possession County Court Desk pilot scheme.

The transfer of £2,242 represents management charges from the main bureau which is included within unrestricted funds.

(e) The Capital Fund was set up in the year ended 31 March 2002 to provide for major refurbishment works at the Portsmouth office.

This year additional capital grants have been received from The Friends of Citizens Advice

Bureaux Trust (£2,500) and the Legal Services Commission (via Southern Focus Trust Partnership £2,116) to fund the purchase of computer equipment.

The transfer of £9,969 represents an amount equivalent to the depreciation charged on the grant funded fixed assets, but which is shown as a cost within unrestricted funds.

13 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 31 March 2003 are represented by:				
Tangible fixed assets	-	25,817	26,629	**52,446**
Current assets	62,310	-	35,686	**97,996**
Creditors: amounts falling due within one year	(33,972)	-	(7,750)	**(41,722)**
	28,338	25,817	54,565	**108,720**